



# Uniform Medical Plan

Your health. Your plan. Your choice.

Volume 6, Issue 1

## Provider Bulletin

March 2004

Please circulate the *UMP Provider Bulletin* to the appropriate clinical, billing, and bookkeeping staff.

### A Personal Note from Andrew Brunskill, M.D., Medical Director

**Stitches in time—help our enrollees get their preventive care!** Did you know....? UMP covers services recommended under the U.S. Preventive Services Task Force Guidelines in full, at 100% of the UMP fee schedule, with no deductible or coinsurance when performed by a network provider. See the guidelines at [www.ahcpr.gov/clinic/cpsix.htm](http://www.ahcpr.gov/clinic/cpsix.htm).

When billing, please use explicit preventive codes to ensure the services are correctly reimbursed. Payment under the preventive care benefit is determined by the procedure and diagnosis codes submitted. Correct payment encourages enrollees to obtain preventive care by removing financial barriers.

**Useful Web site.** The Centers for Disease Control has a Web site on strategies for increasing immunization rates [www.cdc.gov/nip/publications/flustrat.htm](http://www.cdc.gov/nip/publications/flustrat.htm). This site emphasizes the use of standing orders to make preventive care the norm, rather than the exception.

**Pills, bills.** You may be aware that UMP has changed its pharmacy benefits manager to Express Scripts and we're enjoying working with them. As you know, pharmaceutical costs are an increasingly large proportion of our total health care costs (20-25%). Per a legislative directive, UMP and other state agencies are cooperating on the development and use of an evidence-based preferred drug list, which is based on the recommendations of an independent, evidence-based review board. We will be sending a separate communication devoted entirely to pharmacy and prescribing issues; look for it later this year.

**What do plan medical directors do all day?** A lot of time is spent trying to reconcile demand for health

*(continued on page 2)*

### UMP's Web Site

Check out our Web site at [www.ump.hca.wa.gov](http://www.ump.hca.wa.gov)—we're constantly updating information and making it easier to find things. You can find UMP fee schedules and billing information, the latest certificates of coverage (as well as those for past years), an online provider directory, and the UMP Preferred Drug List. Let us know what you think—feedback helps us improve!

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care resources, especially new technology and treatments, with ability to pay.

Over the last year, there have been significant discussions on what sort of coverage should be offered for genetic testing, conditions associated with severe obesity, novel cancer treatments, nutritional testing, and new orthopedic implants. We welcome input on these issues as well as any concerns.

Sincerely,



**Andrew J. Brunskill, M.D.**

UMP Medical Director

[abru107@hca.wa.gov](mailto:abru107@hca.wa.gov)

Phone (206) 521-2000

Fax (206) 521-2001

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## UMP's New Pharmacy Director

UMP would like to introduce Donna L. Marshall, Pharm.D., M.S., our new Pharmacy Director. Dr. Marshall received her Doctor of Pharmacy degree from Mercer University in Atlanta, GA, and her master's degree in Pharmaceutical Outcomes Research and Policy from the University of Washington. She attended residency training in Ambulatory Care at the Veterans Affairs Medical Center in Atlanta, GA, and completed a two-year fellowship in managed care at the University of Washington. Dr. Marshall contracted with UMP as a pharmacy benefit consultant prior to accepting a full-time position as Pharmacy Director. Please join us in welcoming Dr. Marshall to our team!

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## Notifying the UMP of Changes

As a UMP network provider, it is important that you keep us informed of any changes to your practice or status, such as changes to your business address, telephone numbers, tax I.D. number, licensure, certification, registration, or qualifications. See "How to Reach Us" in this bulletin for contact information for UMP Provider Credentialing staff. Also, to avoid delay in payment, please respond promptly when you receive a request from UMP to update your records.

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## How To Reach Us

**UMP Web site** [www.ump.hca.wa.gov](http://www.ump.hca.wa.gov)

**Claims Processing and Preauthorizations** **1-800-464-0967**  
or (425) 670-3046  
Fax (425) 670-3199

- Benefits information
- Customer service
- Claims information
- Enrollee eligibility information
- General billing questions
- Medical review
- Prenotification/preauthorization
- Status of submitted claim
- Verify provider's preferred status

**Automated Enrollee Eligibility Information** **1-800-335-1062**

Have subscriber I.D. number available, and select #2 for "PEBB subscriber information"

**Provider Credentialing and Contracting Issues** **1-800-292-8092**  
or (206) 521-2023  
Fax (206) 521-2001

- Billing manuals and payment policies
- Change of provider status
- Fee schedules
- Network provider contract information
- New provider enrollment
- Policies and procedures
- *Provider Bulletin* feedback
- Request a printed preferred drug list

**Providence Preferred Oregon** **1-800-762-6004**  
[www.providence.org/healthplans](http://www.providence.org/healthplans)

For network providers in Oregon

**Beech Street Preferred Network\*** **1-800-432-1776**  
[www.beechstreet.com](http://www.beechstreet.com)

For network providers outside of Washington, Oregon, and Idaho counties of Bonner, Kootenai, Latah, and Nez Perce

\* *Note: The Beech Street network does not apply to Medi-care-primary enrollees*

**Alternare Health Services, Inc.** **1-800-500-0997**  
or (206) 405-2923  
[www.alternare.com](http://www.alternare.com)

Preferred network information for licensed massage practitioners, naturopathic physicians, and licensed acupuncturists

**Express Scripts, Inc.** **1-800-763-5502**  
[www.express-scripts.com](http://www.express-scripts.com)

To fax prescriptions: 1-800-396-2171

Prescription drugs, preferred drug list, claims questions, drug coverage review, and preauthorization

**Free & Clear** **1-800-292-2336**  
[www.freeandclear.org](http://www.freeandclear.org)

Tobacco cessation program information

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## UMP Wins National Award for Tobacco Cessation Program

In 2003, the UMP received a national award from the American Association of Health Plans for its efforts to curb tobacco use.

As part of our ongoing health management initiatives, UMP offers tobacco cessation services through the *Free & Clear* program sponsored by Group Health. Our goals are to decrease UMP enrollees' risk for cardiovascular disease, lung disease, cancer, and to enhance the probability of healthy pregnancies and babies.

During our annual promotion, the usual \$17.50 copay is waived, as well as the cost for drugs prescribed as part of the program, enabling enrollees to participate free of charge.

The promotion is offered in November and December, to coincide with the Great American Smokeout. During the two months of the initial offer in 2001, enrollment jumped to 341 and 270, compared with 31 and 10 over the previous year. 2002 provided similar results. Almost 29% of the 919 participants reported no tobacco use for seven days or longer. UMP offered this promotion again in 2003; enrollment was 151 in November and 81 in December. And as of January 2004, there is no copay or charge to enrollees at any time throughout the year. So if you have UMP patients who smoke, please encourage them to participate!

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## New Pilot Product: UMP Neighborhood

As of January 1, 2004, UMP began offering a pilot product called UMP Neighborhood. This plan has a benefit structure identical to UMP PPO, but with a more limited provider network. Care is provided primarily by a Care System selected by the enrollee; however, the enrollee does not have to choose a primary care provider. Enrollees will receive services at the network level from any provider within their Care System, and may self-refer to certain other provider types such as mental health specialists and alternative care providers; or for certain types of service, such as routine vision care (see full list under "Other Health Care Services" in the *UMP Neighborhood Certificate of Coverage*). In addition, women have the option of self-referring outside of the Care System for women's health care services (see next column). If other specialty services are needed that are not available within the enrollee's Care System,

he or she may receive network-level benefits if a Care System provider submits a *UMP Neighborhood Pass* to our claims office. Without the *UMP Neighborhood Pass*, UMP reimbursement for services outside the enrollee's Care System will be at the non-network level (60% of allowed charges).

There are eleven Care Systems participating in UMP Neighborhood for 2004. The Care Systems are UMP network groups comprised of primary care providers and referral specialists, or multi-specialty clinics, located in King, Pierce, and Snohomish counties. During the initial two-year pilot, only enrollees residing in these three counties are eligible to participate. If you have any questions about UMP Neighborhood, visit the UMP Web site at [www.ump.hca.wa.gov](http://www.ump.hca.wa.gov) and go to the UMP Neighborhood enrollee section.

### Services Received Outside the Enrollee's Care System

As mentioned above, if a UMP Neighborhood enrollee needs specialty services outside of the Care System, a Care System provider usually needs to complete a *UMP Neighborhood Pass* for the enrollee to receive the highest (network) level of benefits. Services outside the enrollee's Care System without a *UMP Neighborhood Pass* will still be covered, but enrollee cost-sharing will be higher. Please see the enclosed Billing Manual for more information; there is a special section devoted to procedures related to UMP Neighborhood. **Note:** Referral requirements for UMP PPO enrollees have not changed—enrollees may self-refer for most types of specialist care.

### Self-Referral for Women's Health Care

For covered women's health care services, UMP Neighborhood enrollees will receive network-level benefits when they self-refer to a UMP PPO provider (physician, physician assistant, midwife, or advanced registered nurse practitioner)—regardless of whether the provider is affiliated with their Care System.

Women's health care services include:

- Maternity care, reproductive health services, and gynecological care;
- General examinations, preventive care, and medically appropriate follow-up visits for the services previously mentioned or other health services particular to women;
- Appropriate care for other health problems that are discovered and treated during a visit for covered women's health care services.

If a woman self-refers to a non-network provider within Washington State for women's health care services, covered services will be reimbursed at the non-network benefit level.

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## New Pharmacy Benefits Manager for UMP

Effective January 1, 2004, Express Scripts, Inc. (ESI), became UMP's new pharmacy benefits manager. ESI has assembled a terrific management team for UMP, and we're excited to be working with them. During the transition process, a few issues have come to our attention that we would like to pass along to you.

You may submit prescriptions on behalf of your UMP or UMP Neighborhood patients to ESI's mail-service pharmacy by faxing the prescription to 1-800-396-2171. Be sure to use your office letterhead and include the patient's name, UMP identification number, and patient's date of birth. Due to the new privacy rules under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), ESI must have this information to uniquely identify the patient and fill the prescription.

If a patient needs preauthorization for drug coverage, or you have questions regarding which drugs require preauthorization, you may call ESI at 1-800-417-8164. Please note that this number is for provider use only.

UMP's basic prescription drug benefit has not changed; we still have the three-tier system with the same level of plan payment, and a \$100 per person annual prescription drug deductible. However, the UMP Preferred Drug List (PDL) has undergone significant changes from last year's formulary. Many brand-name drugs that were preferred last year may not be preferred this year, which could lead to higher out-of-pocket costs for enrollees. You may want to discuss alternatives to nonpreferred drugs with your patients. For more information regarding the UMP Preferred Drug List or to print a copy of the complete list, please visit our Web site at [www.ump.hca.wa.gov](http://www.ump.hca.wa.gov).

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## Billing and Administrative Manuals for Professional Providers and Hospitals

We encourage you to take some time to review the enclosed *UMP Billing and Administrative Manual for Professional Providers* and/or *UMP Billing and Administrative Manual for Hospitals* that have been recently updated. Information pertaining to UMP Neighborhood has also been incorporated in the manuals. Replace the UMP manual(s) previously mailed to you with these updated manuals. The complete manuals can also be downloaded on the UMP Web site at [www.ump.hca.wa.gov](http://www.ump.hca.wa.gov).

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## Claims Review Program

To address our oversight responsibility for claims administration, UMP has implemented claims review procedures to ensure accurate and appropriate payment of claims. This review monitors compliance with UMP billing rules, policies, and plan benefits. It is important for providers to accurately document and code services provided to UMP enrollees. Providers can help to ensure accurate claims payments by following UMP billing procedures when submitting claims.

The UMP claims review process typically begins with the review of aggregated claims data and the use of software to identify patterns and outliers. A primary purpose of our claims review activities is to follow up and investigate any questionable billing patterns or practices. This may include researching the accuracy of UMP payments and the appropriateness of the procedure and/or diagnosis codes submitted. We also use this process to determine where clarification, training, or better communication of our coding/payment policies may be necessary.

Providers may be contacted periodically for additional information or medical records to substantiate the codes or modifiers submitted on particular claims. If additional information is requested, your cooperation and prompt response is appreciated.

UMP strives to maintain billing processes that are consistent with industry standards and are not overly burdensome to providers. When claims information is not complete or clear, UMP is often forced to contact providers directly for further clarifications. When billing or processing errors occur, we will take appropriate action to correct the errors and resolve any under- or overpayments promptly.

If you have any questions regarding our claims review process, please contact Kathy Fancher at 206-521-2007.

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## Fee Schedules and Payment Programs Information

The UMP's claims payment systems were updated on January 1, 2004 to accept the 2004 additions to Current Procedural Terminology (CPT®) and Healthcare Common Procedure Coding System (HCPCS) level II procedure codes for payment consideration. The current fee schedules containing the maximum allowed amounts for the 2004 procedure codes are available on our Web site at [www.ump.hca.wa.gov](http://www.ump.hca.wa.gov).



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## **UMP 2004 Certificate of Coverage (COC) and UMP Guide to Preferred Drugs**

The *UMP 2004 Certificate of Coverage* containing benefits information and the *2004 UMP Guide to Preferred Drugs* are enclosed for your reference. Both of these documents are also available on the UMP Web site at [www.ump.hca.wa.gov](http://www.ump.hca.wa.gov).

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## **Payment Policy on Preventive Care E&M and Problem-Oriented E&M Services During the Same Visit**

A new policy for coverage/payment of medical evaluation and management (E&M) services provided during a preventive care visit was implemented on October 1, 2003. With the new policy, UMP is recognizing and paying for the additional work being performed when additional health issues are addressed during a preventive care visit. Billing guidelines and payment information for the updated policy are included below.

Preventive medicine evaluation and management (E&M) services must be reported with the applicable CPT procedure code (i.e. 99381–99397). When an abnormality is encountered or a preexisting problem is addressed while performing a preventive medicine E&M service, and if the problem/abnormality is significant enough to require additional work to perform the key components of a problem-oriented E&M service, providers may report the applicable CPT office/outpatient E&M code (i.e. 99201–99215) in addition to the preventive medicine E&M code for coverage/payment consideration. In this situation, modifier -25 must be reported with the office/outpatient E&M code to indicate that a significant, separately identifiable E&M service was provided. Diagnosis codes should be reported to support the E&M codes billed.

A separate charge for an office/outpatient E&M code is not appropriate if an insignificant or trivial problem/abnormality is encountered during the preventive care visit that does not require additional work and

performance of the key components of a problem-oriented E&M service.

When it is appropriate to bill both procedure codes, the preventive medicine E&M code will be covered under the preventive care benefit at the full UMP fee schedule amount, and the office/outpatient medical E&M code will be covered at a reduced UMP rate that is based on the RVU work value only (to avoid duplicate payment for practice and malpractice RVUs for these services). The problem-oriented office/outpatient E&M code will be covered under the medical benefit. The current fee schedule amounts for these dual situations are as follows:

Preventive Medicine E&M Service Codes		
CPT Code	Brief Description	UMP Non-Facility Setting Allowed Amt
99381	Prev visit, new, infant	\$130.16
99382	Prev visit, new, age 1-4	\$139.62
99383	Prev visit, new, age 5-11	\$136.78
99384	Prev visit, new, age 12-17	\$148.62
99385	Prev visit, new, age 18-39	\$148.62
99386	Prev visit, new, age 40-64	\$174.65
99387	Prev visit, new, 65 & over	\$189.32
99391	Prev visit, est, infant	\$97.97
99392	Prev visit, est, age 1-4	\$109.81
99393	Prev visit, est, age 5-11	\$108.39
99394	Prev visit, est, age 12-17	\$120.22
99395	Prev visit, est, age 18-39	\$121.64
99396	Prev visit, est, age 40-64	\$134.42
99397	Prev visit, est, 65 & over	\$148.14

Problem-Oriented E&M Service Codes			
CPT Code	Mod	Brief Description	UMP Non-Facility Setting Allowed Amt
99201	25	Office/outpatient visit, new	\$21.06*
99202	25	Office/outpatient visit, new	\$41.19*
99203	25	Office/outpatient visit, new	\$62.72*
99204	25	Office/outpatient visit, new	\$93.62*
99205	25	Office/outpatient visit, new	\$124.98*
99211	25	Office/outpatient visit, est	\$7.96*
99212	25	Office/outpatient visit, est	\$21.06*
99213	25	Office/outpatient visit, est	\$31.36*
99214	25	Office/outpatient visit, est	\$51.49*
99215	25	Office/outpatient visit, est	\$82.85*

\*This is the reduced amount based on the RVU work component only for payment of E&M services for medical conditions provided during a preventive care E&M visit.

For additional coding information for preventive medicine E&M services, please refer to the current CPT book.

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*Current Procedural Terminology (CPT)* is copyright 2003 American Medical Association. All Rights Reserved. CPT® is a trademark of the American Medical Association. Applicable FARS/DFARS restrictions apply to government use.

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## After Hours, Evening, and Holiday Services Payment Policy Clarification

After hours service codes (CPT 99050–99054) will only be considered for separate payment when:

- The provider's office is not regularly open; and
- The after hours services code is billed with an appropriate evaluation and management service.

Only one after hours service code will be reimbursed per patient per day. After hours service codes are not payable when billed by emergency room physicians, anesthesiologists/anesthetists, radiologists, and laboratory clinical staff. The medical necessity and urgency of the service must be documented in the medical records and be available upon request.

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## Electronic Claims Submission

**Reminder:** When the UMP is a member's primary insurance, we accept electronic claim transactions through the following electronic clearinghouses. Please use our **electronic claims payer number—75243**—for the submission of primary insurance electronic claims. If you are currently submitting paper claims, we encourage you to contact one of the following clearinghouses to find out more about electronic submittal.

Electronic Claim Clearinghouse	Phone number/Web site
Electronic Network Systems (formerly EDSS)	1-800-341-6141 <a href="http://www.enshealth.com">www.enshealth.com</a>
WebMD Envoy	1-800-215-4730 <a href="http://www.WebMD.com">www.WebMD.com</a>
ProxyMed	1-800-586-6870 <a href="http://www.proxymed.com">www.proxymed.com</a>

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## Name Change

You may have noticed references to "UMP PPO." We have started using UMP PPO to refer to the UMP's traditional coverage to differentiate it from our new pilot product, UMP Neighborhood. For more information on UMP PPO benefits, see the *UMP PPO 2004 Certificate of Coverage* enclosed.

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## Avoid Unnecessary Billings

**Reminder:** Noridian electronically submits claims directly to the UMP for secondary payment on Medicare Part B professional claims. So when a patient's UMP coverage is secondary to Medicare, you do not need to resubmit these Noridian-processed claims to UMP for further payment. Please note that this does not apply to inpatient facility claims, durable medical equipment, home health and hospice care, or claims from Medicare carriers other than Noridian, which still need to be submitted as paper claims with documentation of the Medicare payment amount.

Please be aware that it typically takes a minimum of two weeks from the date your Medicare Detail of Remittance is issued by Noridian for the UMP to receive that information. We are finding that many provider billing offices are unaware of this time lag and continue to submit paper claims unnecessarily. The majority of these paper claims are subsequently denied as duplicate.

You can reduce your billing workload and the number of duplicate claims by allowing 20 working days from Medicare's processing before submitting a paper claim for outpatient professional fees. If you have a question about a particular claim, don't forget that you can check claim status for multiple patients and dates of service through our Interactive Voice Response (IVR) System option from 5 a.m. to 8 p.m. PST. Simply call 1-800-762-6004 or 1-800-464-0967.

If you have additional questions, you can reach a Customer Service Representative between 8 a.m. and 6 p.m., Monday through Friday, at the phone numbers above.

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## Patient's Birthdate on Claim Forms Requirement

**Reminder:** The *patient's* correct date of birth must be included in the birthdate field on all claims submissions to ensure accuracy and prompt payment of the claim. Indicating the subscriber's date of birth on the CMS-1500 claim form for services that are submitted for a dependent of that subscriber causes delays matching the correct patient when the claim is submitted for reimbursement.

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## Tired of Prior Authorization?

**Or rewriting prescriptions because they are not covered? Then the new Endorsing Practitioner Therapeutic Interchange Program (TIP) is what you've been waiting for!**

Providers who endorse the state's new Preferred Drug List (PDL) **will see a reduction in administrative burden and interruptions to their practice when treating patients** covered by Medicaid, Labor & Industries, Uniform Medical Plan, and UMP Neighborhood.

TIP is scheduled to begin May 1, 2004. Registration forms are being sent in mid-March to all licensed practitioners in Washington State with prescriptive authority.

Therapeutic interchange is similar to generic substitution, but instead substitutes one brand for another brand within the same therapeutic class. An endorsing practitioner (physician, physician assistant, or advanced registered nurse practitioner) is expected to have reviewed the PDL and agrees to allow therapeutic interchange of a preferred drug for any nonpreferred drug in a therapeutic class.

When you become an Endorsing Practitioner, you agree to use the state's PDL. This means that when you write a prescription and allow substitution for a

prescription drug in a class on the PDL, the pharmacist will **automatically interchange** a preferred drug for any nonpreferred drug in that therapeutic class. After making the interchange, the pharmacist will notify the practitioner of the drug and dose dispensed to the patient.

If you are an Endorsing Practitioner and wish to prescribe a nonpreferred drug from one of the PDL classes, you simply sign the blank "dispense as written" on the prescription and the pharmacist will fill the nonpreferred drug as written. If you do *not* endorse the Preferred Drug List and you prescribe a nonpreferred drug in one of the PDL classes, you may need to obtain authorization before the nonpreferred drug can be dispensed to the patient.

There are two ways to become an Endorsing Practitioner:

- Complete the registration form you received from the Health Care Authority; or
- Register online at [www.rx.wa.gov](http://www.rx.wa.gov).

On that Web site, you'll also find links to information on the Evidence-Based Prescription Drug Program, the Washington State PDL, and the evidence-based reports used by the Washington State Pharmacy & Therapeutics (P&T) Committee in developing the PDL. For further questions, contact Erika Barker, Prescription Drug Program Coordinator, at 206-521-2027 or via email at [pdp@hca.wa.gov](mailto:pdp@hca.wa.gov).

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To obtain this document in another format, call our Americans with Disabilities Act (ADA) Coordinator at (360) 923-2805. TTY users (deaf, hard of hearing, or speech impaired), call (360) 923-2701 or toll-free 1-888-923-5622.